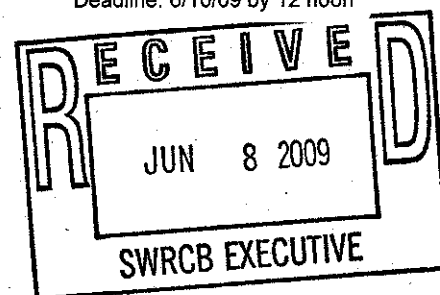


6/16/09 Bd Mtg Item 8
ARRA
Deadline: 6/10/09 by 12 noon

Littorai

Ms. Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 "I" Street, 24th Floor
Sacramento, CA 95814
FAX: (916) 341-5620
email: commentletters@waterboards.ca.gov

Subject: Consideration Of A Resolution To Clarify Implementation Of Federal Economic Recovery
Legislation For The Clean Water State Revolving Fund (CWSRF) Program

June 5, 2009

Dear Ms Townsend:

We are writing to provide comments on the staff recommendations for use of stimulus money (ARRA) awarded as grants through the State Water Board. The proposed Board item referenced above summarizes the current division of the \$280 million dollars allocated to the Clean Water State Revolving Fund (CWSRF) as \$70 million to wastewater in disadvantaged areas, \$67 million to previously approved grant stopped due to the state's budget problems. This item makes recommendations on an additional \$42 million of ARRA funding.

We do not support the staff recommendation that all of this funding be provided to urban projects only. The purpose of the ARRA is to create and retain jobs first and foremost through the implementation of construction projects throughout California. There is no preference indicated in the Federal ARRA for urban areas over rural areas. Of the 59 counties in California only 12 are predominantly urban, leaving 47 primarily rural or 80% of the state. In addition many rural counties have far higher unemployment rates than urban areas creating a greater need for stimulus funds in rural areas.

We support **OPTION 1B:** Allocate Additional 15 Percent as Subsidy Funds to new Expanded Use CWSRF Projects and **OPTION 2A:** Funding priority for projects with earliest construction start date. We would add to the selection criteria that projects which retain and/or create the largest number of jobs should be given a higher priority as they implement the purpose of the ARRA funding.

We appreciate that the State Water Board has provided the opportunity to comment on the prioritization process for these funds.

Sincerely,

Edward R. Lemon

President, Littorai Wines

